



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB3957

by Rep. Joe Sosnowski

SYNOPSIS AS INTRODUCED:

35 ILCS 5/224 new

Amends the Illinois Income Tax Act. Creates a credit equal to a percentage the federal child and dependent care credit received by the taxpayer. Provides that the credit shall be equal to: (i) 50% of the federal credit if the taxpayer's adjusted gross income is \$25,000 or less; (ii) 30% of the federal credit if the taxpayer's adjusted gross income is more than \$25,000 but not more than \$35,000; and (iii) 10% of the federal credit if the taxpayer's adjusted gross income is more than \$35,000. Provides that the credit may be refunded to the taxpayer. Effective immediately.

LRB099 10370 HLH 30597 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Income Tax Act is amended by adding
5 Section 224 as follows:

6 (35 ILCS 5/224 new)

7 Sec. 224. Federal child and dependent care credit. For
8 taxable years beginning on or after January 1, 2016, with
9 respect to the federal child and dependent care credit allowed
10 for the taxable year under Section 21 of the federal Internal
11 Revenue Code, 26 U.S.C. 21, each individual taxpayer is
12 entitled to a credit against the tax imposed by subsections (a)
13 and (b) of Section 201 in an amount equal to: (i) 50% of the
14 federal credit if the taxpayer's adjusted gross income is
15 \$25,000 or less; (ii) 30% of the federal credit if the
16 taxpayer's adjusted gross income is more than \$25,000 but not
17 more than \$35,000; and (iii) 10% of the federal credit if the
18 taxpayer's adjusted gross income is more than \$35,000.

19 If the amount of the credit exceeds the income tax
20 liability for the applicable tax year, then the excess credit
21 shall be refunded to the taxpayer. The amount of a refund shall
22 not be included in the taxpayer's income or resources for the
23 purposes of determining eligibility or benefit level in any

1 means-tested benefit program administered by a governmental
2 entity unless required by federal law.

3 This Section is exempt from the provisions of Section 250.

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.